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THE Feed SITUATION

BUREAU OF AGRICULTURAL ECONOMICS
UNITED STATES DEPARTMENT OF AGRICULTURE
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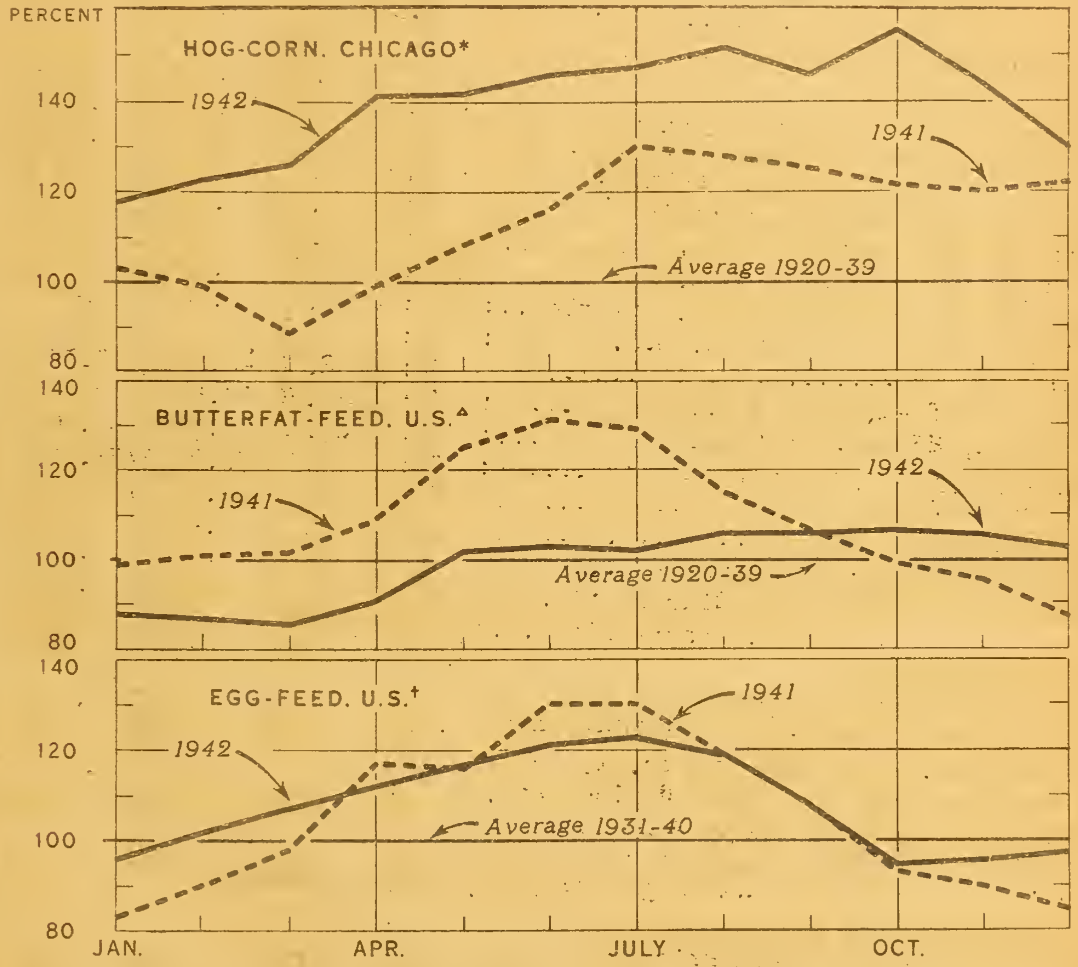
LIVESTOCK-FEED PRICE RATIOS, 1941-42
AS PERCENTAGE OF AVERAGE



*PACKER AND SHIPPER PURCHASES AND NO. 3 YELLOW CORN
† FARM PRICE OF EGGS AND POULTRY RATION
△FARM PRICE OF BUTTERFAT AND DAIRY FEED
DATA FOR DECEMBER 1942 ESTIMATED

U. S. DEPARTMENT OF AGRICULTURE NEG. 39934 BUREAU OF AGRICULTURAL ECONOMICS

Livestock-feed price ratios were favorable for expanding livestock production during most of 1942. Egg prices advanced less than seasonally this fall, however, and the seasonally adjusted egg-feed ratio declined below average. The egg-feed ratio is expected to become favorable and other ratios probably will continue favorable during the first half of 1943. An unusually large disappearance of feed is in prospect. For data see Table 10.

Table 1.- Market prices of feeds and livestock-feed price ratios, December 1940, 1941, and October-December 1942

Item	Unit	Dec. 1940	Dec. 1941	1942 Oct.	1942 Nov.	1942 Dec. 1/
		Cents	Cents	Cents	Cents	Cents
Grains						
Corn No. 3 Yellow, Chicago	Bu.	61.5	75.9	77.3	80.5	88.6
No. 3 Yellow, Kansas City	"	57.1	72.3	76.7	79.3	85.6
Oats No. 3 White, Chicago	"	38.1	53.2	46.8	49.8	52.8
No. 3 White, Minneapolis	"	34.2	50.3	42.1	45.5	50.0
Barley No. 3, Minneapolis	"	51.0	67.6	60.7	65.0	73.7
Wheat No. 2 Hd. Winter, Kansas City	"	83.0	120.1	120.5	123.1	131.3
Rye No. 2, Minneapolis	"	50.0	67.8	59.1	59.3	68.8
Byproduct Feeds	"					
Standard bran, Minneapolis	Ton	21.30	30.55	30.30	32.10	37.00
Chicago	"	23.25	32.30	32.00	33.90	38.00
Buffalo	"	24.70	34.25	34.25	36.25	41.50
Standard middlings, Minneapolis	"	21.15	30.65	30.90	32.95	37.00
Chicago	"	23.20	32.55	32.60	34.95	38.00
Buffalo	"	24.75	33.95	34.50	36.75	41.00
Cottonseed meal, 41 pct. protein, Chicago	"	35.25	44.45	41.90	45.40	47.00
41 pct. protein, Memphis	"	28.95	38.35	36.25	38.60	38.70
Soybean meal, 41 pct. protein, Chicago	"	29.60	42.50	42.70	46.60	---
Linseed meal, 34 pct. protein, Minneapolis	"	2/28.90	38.50	36.45	39.75	43.00
34 pct. protein, Buffalo	"	2/29.00	35.40	37.00	40.10	---
Peanut meal, 45 pct. protein, S.E. milling points	"	22.70	40.65	37.75	39.10	38.00
White hominy feed, Chicago	"	26.20	30.60	32.90	33.10	36.00
Gluten feed, 23 pct. protein, Chicago	"	27.80	28.50	31.40	32.25	32.50
Tankage, digester, 60 pct. Chicago	"	45.50	71.75	3/71.00	3/71.05	3/71.05
Meat scraps, Chicago	"	41.00	70.25	3/68.00	3/68.00	3/68.00
Fish meal, San Francisco	"	47.20	67.45	79.50	79.50	79.50
Brewers' dried grains, Milwaukee	"	25.10	33.80	30.00	32.40	37.00
Distillers' dried grains, Cincinnati	"	30.60	34.40	38.25	39.10	42.50
Alfalfa meal, No. 1 fine, Kansas City	"	22.20	28.60	32.80	32.90	32.90
		Pct.	Pct.	Pct.	Pct.	Pct.
Indexes of Feed Prices 4/						
Feed grains, United States, 1910-14 = 100		84	106	116	115	5/ 118
Oilseed meal, terminal markets, 1935-39 = 100		101	135	129	137	6/ 139
Livestock byproduct feeds and fish meal, terminal markets, 1935-39 = 100		98	152	160	160	6/7/160
Ten principal high-protein feeds, terminal markets, 1935-39 = 100 8/		102	137	135	141	6/ 143
Indexes of Livestock-Feed Price Ratios 9/						
Hog-corn ratio, Chicago, 1920-39 = 100		89	122	156	144	10/ 137
Beef-corn ratio, Chicago, 1920-39 = 100		135	116	128	125	10/ 115
Butterfat-feed ratio, United States, 1920-39 = 100		105	88	107	106	5/ 103
Egg-feed ratio, United States, 1931-40 = 100		88	85	95	86	5/ 88

1/ Grain prices, average for week ended December 19, byproduct feed prices as of December 15. 2/ 37-percent protein. 3/ Bulk. 4/ For method and data for earlier months and years see issues of "The Feed Situation" for December 1941 and April 1942. 5/ Preliminary. 6/ December 15. 7/ Includes some prices for bulk sales. 8/ Revised to exclude copra meal. 9/ Average for corresponding month in base period = 100. Index numbers above 100 indicate that ratios are favorable to livestock producers. See table 1, "The Feed Situation," February 1942. 10/ Week ended December 19.

THE FEED SITUATION

Summary

A strong seasonal demand has developed for feed during the past few weeks as colder weather and widespread snow have increased feed requirements of livestock. Corn and barley prices have advanced 7 or 8 cents per bushel since mid-November and oats prices have advanced slightly. Prices of wheat millfeeds and most of the byproduct feeds have risen to near ceiling levels. As a result of the strong demand for mixed feeds and high-protein feeds, feed mixers are buying practically all the current production of oilseed cakes and meals at maximum prices permitted, leaving only small quantities available at wholesale markets.

Livestock-feed price ratios are expected to be favorable for livestock producers during the first half of 1943, although at least an average seasonal increase in feed-grain prices is expected during this period. The hog-corn price ratio is expected to remain above the long-time average, although it may not average so high as in the second half of 1942. A very favorable egg-feed price ratio is expected next spring and the butterfat-feed price ratio is expected to continue above the long-time average.

The 1943 acreage goal for feed grains recently announced by the Department of Agriculture is slightly larger than the acreage planted this year. The corn acreage goal is 95 million acres, 4 percent larger than the acreage planted in 1942. Acreage allotments for corn producers are being increased 5 percent. A larger corn acreage is needed next year to meet the increasing feed requirements of livestock. Unless the yield of feed grains per acre is again exceptionally high, feed supplies in 1943-44 will be somewhat smaller than in the current season.

The 1943 supply of feed grains available October 1 is now estimated at 134.3 million tons, 12 percent larger than the supply last year. Supplies per animal unit are slightly larger than a year ago, and about 5 percent above the 1937-41 average. Hay supplies are 9 percent larger than a year ago, and a little larger relative to the number of hay-consuming animals on farms. Supplies of feed grains and hay are unusually large in the area of the Corn Belt west of the Missouri River where severe droughts had curtailed production in some recent years.

-- December 26, 1942

REVIEW OF RECENT DEVELOPMENTS

BACKGROUND.- Feed supplies have been much above average during the past 3 years because of the favorable growing seasons, the shift from open-pollinated to hybrid corn, and the large carry-over from earlier years. Utilization of feed has increased sharply during the past 2 years as livestock production has expanded. Much of the corn that was owned by the Government early in 1941 has been sold. The corn carry-over on October 1, 1942 was about 200 million bushels smaller than 2 years earlier. Prices of feed grains increased considerably during the first 2 years of the war, but the increase during 1942 has been small, principally because of the very large production this year.

October 1 Feed-Grain Supply 11 Percent Greater than in 1941

The 1942-43 supply of feed grains available October 1 is estimated on the basis of December crop conditions at 134.3 million tons, 12 percent larger than the supply last year, and 23 percent above the 1937-41 average. This figure includes grain sorghums harvested for grain, estimated to be 107 million bushels in 1942, or 5 million bushels smaller than in 1941. The total corn supply is now estimated to be 3,667 million bushels, 10 percent larger than the 1941 supply. The corn and barley supplies are the largest on record. The stocks of oats on October 1 totaled 1,152 million bushels, the largest in recent years. Allowing for an increase in grain-consuming animal units during 1942, supplies of feed grains per animal unit are expected to be slightly larger than last year and 5 percent above the 1937-41 average.

The 1942 Loan Rates Lower Relative to Corn Prices than Last Year

The loan rates on 1942 corn in Iowa, Illinois, Minnesota, and Nebraska ranged from 7 to 9 cents per bushel below the average price received by farmers for corn in these States in mid-November, about 6 cents less than the spread a year earlier. These States have sealed about 90 percent of the total corn sealed in the United States in recent years. The higher price of corn relative to the loan in 1942 in these States reflects the unusually strong demand for feeding.

The total supply of corn in the North Central States is estimated to be 2,863 million bushels, 340 million bushels more than in 1941. About 107 million bushels were under seal in early December and 33 million bushels were owned by the Government, making a total of 140 million bushels under seal and in Government ownership. This compares with about 350 million bushels in these positions a year earlier. In view of the large quantity of corn available for sealing in the Corn Belt, the volume of corn sealed in 1942-43 may be about as large as in 1941-42.

Table 2.- Corn: Loan rate by States, average price per bushel received by farmers November 15, and difference between loan rate and price, 1941-42

State	1941			1942		
	Average loan rate in commercial counties	Farm price Nov. 15	Difference	Average loan rate in commercial counties	Farm price Nov. 15	Difference
	Cents	Cents	Cents	Cents	Cents	Cents
Delaware	84	68	- 16	97	76	- 21
Maryland	84	71	- 13	96	80	- 16
Pennsylvania	84	79	- 5	96	88	- 8
Ohio	78	63	- 15	85	73	- 12
Indiana	75	62	- 13	81	73	- 8
Illinois	76	62	- 14	80	73	- 7
Michigan	78	75	- 3	84	84	0
Wisconsin ...	79	70	- 9	85	80	- 5
Minnesota ...	70	54	- 16	74	66	- 8
Iowa	73	60	- 13	77	68	- 9
Missouri	78	65	- 13	84	78	- 6
South Dakota	71	54	- 17	75	62	- 13
Nebraska	72	57	- 15	78	69	- 9
Kansas	75	64	- 11	81	72	- 9
Kentucky	79	72	- 7	90	86	- 4

Feed Grain Prices Advance

Prices of feed grains have increased during the past month, influenced by strong seasonal demand. No. 3 Yellow corn at Chicago averaged 88.6 cents per bushel for the week ended December 19, 9 cents per bushel higher than a month earlier and the highest level since the drought year 1936. Oats and barley prices also advanced, but prices of these grains are still a little below the seasonal high points reached earlier this year.

Prices of most byproduct feeds that had not reached ceiling levels advanced during the past month to near the ceilings. Wheat millfeeds are about $4 to $6 per ton higher than a month ago. Prices of oilseed cakes and meals are nominal at most wholesale markets, with little available for sale. Prices received by crushers are generally at the maximum level permissible under Commodity Credit Corporation contracts. The price of mixed dairy feed increased $1 to $2 per ton at Chicago from mid-November to mid-December, and the price of laying mash increased $2 to $3 per ton.

Livestock and Feed Grain Goals Announced for 1943

Substantial increases in production of hogs and poultry products were called for in the 1943 production goals recently announced by the Department of Agriculture. Further increases in these classes of livestock will require greater use of feed concentrates, especially corn, during 1943.

The 1943 goal for feed grains is slightly larger than the acreage planted this year. The corn goal is 95 million acres, 4 percent larger than the acreage planted to corn in 1942. Acreage allotments for corn producers in the commercial corn areas are being raised 5 percent by the Agricultural Adjustment Agency. Producers who wish to exceed their acreage allotments by planting up to their usual acreage, in order to have more feed, may do so without incurring reduction in production practice payments or in allotment payments other than for corn. No marketing quotas will be proclaimed on corn. Loans will be made to producers of grain sorghums and barley at rates slightly higher than in 1942.

Table 3.- Goals for 1943, production or planted acreage for specified commodities, with comparisons

Commodity	Unit	Average 1937-41	1942	1943 goal	1943 goal as a percentage of 1942
					Percent
Hogs 1/	Mil. lb.	8,540	10,800	13,800	127.8
Cattle and calves 1/	" "	8,220	10,160	10,910	107.4
Milk	" "	107,903	120,000	122,000	101.7
Eggs	" doz.	3,577	4,414	4,780	108.3
Chickens 1/	" lb.	2,498	3,118	4,000	128.3
Corn	1,000 acres	91,471	91,011	95,000	104.4
Oats	" "	37,638	42,656	37,300	87.4
Barley	" "	13,670	19,433	18,000	92.6
Grain sorghums	" "	9,436	9,755	10,000	102.5
Hay, all 2/	" "	69,670	72,744	71,000	97.7
Soybeans for beans 2/	" "	4,146	10,762	10,500	97.6
Peanuts 2/	" "	1,804	3,690	5,500	149.1
Flaxseed	" "	2,329	4,691	5,000	106.6

1/ Dressed weight of total slaughter.

2/ Harvested acreage.

A Comparison of Prices of Dairy and Poultry Rations with Prices of Feed Ingredients

A comparison of the prices of 20 percent dairy feed and of laying mash at Chicago with the wholesale price of the feed ingredients that would make up these rations is shown in table 4. This comparison does not reveal any general widening of the margins between the value of the ingredients and the

Table 4.- Prices of dairy and poultry feeds and value of feed ingredients, per ton, monthly, Chicago, 1939-42

Feed	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.
Dairy feed 1/												
1939	26.06	25.31	25.50	26.05	26.94	26.33	25.30	24.50	30.80	30.06	29.69	31.56
1940	32.00	31.50	31.00	31.62	31.92	29.83	27.38	28.05	28.25	29.06	31.25	33.25
1941	32.25	30.62	30.10	30.88	30.70	31.12	33.12	34.10	38.25	37.67	36.88	39.81
1942	40.62	41.38	40.94	39.19	38.25	38.25	39.06	39.65	40.00	41.00	41.75	
Ingredients 2/												
1939	20.35	19.63	19.86	20.85	21.16	20.39	18.76	18.52	23.36	20.96	23.03	24.64
1940	24.97	24.32	24.47	25.55	25.19	22.60	21.94	21.84	22.42	22.97	24.67	24.08
1941	24.44	23.15	23.96	24.79	24.70	25.56	26.85	28.11	30.93	28.64	29.93	32.42
1942	35.17	34.72	34.74	34.75	34.50	33.33	33.63	33.29	33.33	31.72	33.75	
Margin												
1939	5.71	5.68	5.64	5.20	5.78	5.94	6.54	5.98	7.44	9.10	6.66	6.92
1940	7.03	7.18	6.53	6.07	6.73	7.23	5.44	6.21	5.83	6.09	6.58	9.17
1941	7.81	7.47	6.14	6.09	6.00	5.56	6.27	5.99	7.32	9.03	6.95	7.39
1942	5.45	6.66	6.20	4.44	3.75	4.92	5.43	6.36	6.67	9.28	8.00	
Laying mash 3/												
1939	35.92	34.50	34.50	37.40	39.06	37.25	34.65	34.31	42.05	41.00	38.19	39.44
1940	40.06	39.38	38.40	41.19	41.00	38.42	38.06	38.62	38.56	38.12	39.55	38.50
1941	38.50	38.17	40.15	40.97	40.65	42.62	45.00	45.20	49.25	48.62	48.12	52.25
1942	52.88	53.06	53.12	52.75	52.05	51.92	52.19	52.00	51.67	51.80	52.12	
Ingredients 4/												
1939	23.51	22.19	23.39	24.80	24.68	24.07	21.92	20.72	26.39	23.77	25.00	25.87
1940	25.86	25.15	25.35	27.26	26.98	24.89	25.12	23.52	24.30	24.49	25.83	24.98
1941	25.79	24.44	25.13	26.73	26.65	28.34	31.32	31.59	34.47	31.93	32.78	34.92
1942	37.63	37.32	38.06	38.71	38.57	38.41	38.23	36.34	36.07	34.85	36.59	
Margin												
1939	12.41	12.31	11.11	12.60	14.38	13.18	12.73	13.59	15.66	17.23	13.19	13.57
1940	14.20	14.23	13.05	13.93	14.02	13.53	12.94	15.10	14.26	13.63	13.72	13.52
1941	12.71	13.73	15.02	14.24	14.00	14.28	13.68	13.61	14.78	16.69	15.34	17.33
1942	15.25	15.74	15.06	14.04	13.48	13.51	13.96	15.66	15.60	16.95	15.53	

1/ Wholesale price of 20 percent protein dairy feed, carlots, Chicago, average of one quotation each week.

2/ Value of 800 pounds of No. 3 Yellow corn, 430 pounds of No. 3 White oats, 380 pounds of wheat bran, and 390 pounds of soybean meal, wholesale, Chicago.

3/ Wholesale price, laying mash, carlots, Chicago, average of one quotation each week.

4/ Value of 800 pounds of No. 3 Yellow corn, 650 pounds of wheat middlings, 200 pounds of wheat bran, 200 pounds of meat scraps, and 150 pounds of soybean meal at Chicago.

price of the mixed feed in 1942 as compared with earlier years. The widening of these margins since the middle of 1942 appears to be partially seasonal. These comparisons do not allow for changes in the proportion of the various ingredients going into the rations. This probably has been an important factor during the past few years, as larger supplies of oilcake and meal have become available. The price of oilcake and meal is considerably lower per pound than the price of animal protein feed used in the manufacture of mixed feeds.

Scarcity of all high-protein feeds in recent weeks has made it necessary for many farmers in the Corn Belt who ordinarily mix their own feeds to buy feeds already mixed. Although margins of mixers have not increased significantly during 1942, feed costs of these farmers have increased by at least the amount of the margin shown in the accompanying table. In many instances the increases were larger than this, because the grain contained in a mixed feed would be available on the farm of the feeder or at a local market at prices considerably lower than the wholesale price at Chicago.

OUTLOOK

Favorable Livestock Feed Prices Ratios Expected for the First Half of 1943

Seasonal increases of at least average proportions are in prospect for feed-grain prices during the first half of 1943, but prices of livestock and livestock products probably will be relatively higher than feed grains, compared with the long-time average. Later in the year, prospects for 1943 production of feed will become important in influencing feed prices and livestock-feed price ratios. With average yields in 1943, smaller supplies of feed per animal are in prospect and the ratios between prices of livestock products and feed may be less favorable than at present.

The hog-corn price ratio was unusually favorable to hog producers during the summer and fall months. In the last few weeks the ratio has become less favorable, but it is still much above the long-time average. The hog-corn price ratio probably will not average so high during the first half of 1943 as during the second half of 1942, but probably will remain above the 1920-39 average.

The butterfat-feed and the milk-feed price ratios during the first half of 1943 are expected to remain above the average of the last 20 years. Competition from hogs in the Corn Belt and labor shortages, however, will limit the output of dairy products and the quantity of grain fed to dairy cattle.

A very favorable feed-egg ratio is in prospect for the spring of 1943 as egg prices are expected to decline less than seasonally. The increase in production of hogs, poultry, and poultry products in 1942-43 will mean that larger quantities of feed grains will be required by these classes of livestock than in 1941-42.

Strong Demand for Oilcake and Meal

Production of oilcake and meal during October-December 1942 is expected to be about 25 percent larger than in the last quarter of 1941, and will be by far the largest in the Nation's history. But the demand for oilcake and meal is much greater than in 1941, for livestock numbers have increased considerably since last year, livestock prices are much higher, and supplies of some other high-protein feeds are smaller. Producers of livestock and livestock products would take considerably more oilcake and meal at ceiling prices than are available this winter. Feed mixers have found a strong demand for poultry and dairy feeds, and have purchased large quantities of high-protein feeds direct from crushers on a contract basis. Mixers are reported producing a record volume of commercial mixed feeds. These developments are largely responsible for the present scarcity of oilcake and meal at wholesale markets. Corn Belt farmers, especially, are finding it difficult to obtain oilcake and meal to supplement feed grains produced on their farms.

Strong demand for oilcake and meal probably will continue until next spring. During the late spring and summer months demand for dairy feed will decline seasonally as dairy herds are turned on pasture. Production of soybean cake and meal will continue large, as crushers in the Corn Belt are expected to continue to produce at near-capacity throughout the season. Soybeans will be shipped South for crushing as soon as Southern crushers have completed the crushing of 1942 cottonseed. Some of these crushers have already started crushing soybeans, but the bulk of the soybean crushing in the South will not be under way before February or March. Consequently total production of oilcake and meal will be increased relatively more, compared with the average, next summer than this winter.

Production of oilcake and meal (table 5) is expected to total a little over 7 million tons during 1942-43, 54 percent larger than in 1941-42. Increases by quarters, over production in 1941-42 are expected to be about as follows: October-December, 20 percent; January-March, 50 percent; April-June, 100 percent; and July-September, 45 percent.

Table 5.- Supplies of specified high-protein feeds available for domestic consumption, United States, 1937-42 1/

Year beginning Oct. 1 2/	Oilcake and meal						Gluten feed and meal	Brewers' and distillers' dried grains	Tankage and meat scraps 3/	Fish meal
	Cottonseed	Soybean	Linseed	Peanut	Copra	Total				
	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons
Average 1937-41	2,111	1,286	481	74	135	4,087	689	303	525	233
1940	1,974	1,526	740	137	174	4,551	759	297	590	260
1941	1,914	1,825	891	67	4/ 79	4,776	962	437	600	200
1942 5/	2,200	3,900	850	200	35	7,185	960	540	650	175

1/ Production and imports, plus carry-over of cottonseed and peanut cake and meal, minus exports and minus cottonseed meal used for fertilizer on farms of cotton growers. Gluten feed and meal, brewers' and distillers' grains, production only.
2/ Cottonseed cake and meal, year beginning August; brewers' and distillers' grains, year beginning July; tankage, meat scraps, and fish meal, calendar year following.
3/ Estimated production in the meat-packing industry, based on census data for calendar years 1937 and 1939.
4/ Partly estimated.
5/ Preliminary estimates.

The percentage of the volume of oilcake and meal produced by regions from 1942 oilseed crops is indicated in table 6. Actual volume crushed by regions will depend to a considerable extent on the quantity of soybeans that will be shipped out of the Corn Belt for crushing. Production of oilcake and meal, by regions, does not necessarily indicate the volume that will be available for feeding in the various regions, since a considerable part of the oilcake and meal produced in the South ordinarily is shipped to other regions for feeding. Percentage indications are based on a prospective total production of 7,050,000 tons of the four cakes and meals from 1942 oilseed crops.

Table 6.- Estimated production of specified oilcakes and meals as a percentage of total, by quarters, 1942-43

Item	July-Sept. 1942	Oct.-Dec. 1942	Jan.-Mar. 1943	Apr.-June 1943	July-Sept. 1943	Total crop year
	Production by kinds					
	Percent	Percent	Percent	Percent	Percent	Percent
Cottonseed cake and meal	3.8	12.7	8.5	4.1	1/ .7	29.8
Soybean cake and meal	.0	9.0	15.6	18.1	12.6	55.3
Linseed cake and meal	1.5	3.3	3.0	3.0	1/ 1.3	12.1
Peanut cake and meal	.0	.5	1.1	.8	.4	2.8
Total	5.3	25.5	28.2	26.0	15.0	100.0
	Production by regions					
North Atlantic ..	.5	1.3	1.9	2.4	1.4	7.5
North Central ...	.9	10.1	11.5	11.3	1/ 10.5	44.3
Southern States .	3.7	12.7	13.1	10.8	1/ 2.3	42.6
West	.2	1.4	1.7	1.5	1/ .8	5.6

1/ Does not include cottonseed and flaxseed from 1943 crops crushed in this quarter.

Nor

North Atlantic States — Demand Strong

Demand for all types of feed in the North Atlantic States is expected to continue strong during the next several months. Farmers will depend to a considerable extent upon feed grain and byproduct feeds shipped in from the Midwest. The supply of feed grains grown locally in this area is about 3 percent larger than last year. Hay supplies are about 19 percent larger than last year and about 6 percent above the 1937-41 average. The quantity of linseed meal produced in this area during 1942-43 probably will be considerably smaller than in 1941-42, but more than 200,000 tons of soybean meal are expected to be produced in the Eastern States during 1942-43, which will largely offset the reduced output of linseed meal.

North Central States — Feed Grain Supplies 14 Percent Larger than in 1941-42; Hay Supply 11 Percent Larger

Supplies of feed grains in the North Central States are estimated to be 14 percent larger than in 1941-42. Hay supplies are estimated to be 11 percent larger. Supplies of both feed grains and hay are unusually large, compared with recent years, in the Corn Belt west of the Missouri River. These supplies will permit a considerable expansion in livestock production in that area. Increases over 1942 are small in sections of the central

Corn Belt. Snow and cold weather during December probably have greatly increased the rate of feeding of grains and hay in this region, especially in the northern section, and have materially increased the demand for byproduct feeds and mixed feeds.

Southern States -- Good Demand for Shipped-in Grain

Supplies of feed grains produced in the South in 1942 are about the same as in 1941, but demand for feed is much stronger than a year ago. In recent weeks demand for grain sorghums has increased and prices have gone up considerably. Relatively large quantities of feed grains and feed wheat are being shipped into this area from the Midwest to supplement locally-grown feed. Movement of feed grains and other feeds into this area probably will increase during the next few months, as the grains produced locally are virtually used up.

West -- Feed-Grain Supplies Ample; Hay Supplies Small in Some Areas

Supplies of feed grains in the Western States are about one-fourth larger than last year, but hay supplies are slightly smaller. Demand for hay is strong in the region, and supplies are scarce in some of the Rocky Mountain States. A shortage of labor and the transportation difficulties which have developed in the West probably will continue to add to the problem of distributing hay and other bulky feeds in this area during the winter months. High-protein feeds continue scarce in the region, but the prospective shipment of soybeans for crushing in the West Coast in copra mills will tend to ease this situation.

Table 7.- Feed grain supply October 1 and livestock numbers, average 1937-41, annual 1941-42

Year	Corn supply Oct. 1 1/	Oats stocks Oct. 1 2/	Barley production	Grain sorghums production 3/	Total supply	Grain-consuming animal units 4/	Supply per animal unit
	Million bushels	Million bushels	Million bushels	Million bushels	Million tons	Millions	Tons
Average: 1937-41	3,062	924	284	77	109.5	132.5	.83
1941	3,323	966	362	112	120.3	142.7	.84
1942	3,667	1,152	426	107	134.3	5/ 156.0	.86

1/ Production, plus October 1 farm and commercial stocks, plus corn owned by the Government at country points.
2/ October 1 farm and commercial stocks.
3/ Harvested for grain.
4/ January 1 following.
5/ Preliminary estimate.

Table 8.- Feed grain and hay supplies, by regions, 1937-42

Geographical division	Feed grains 1/			Hay 2/		
	Average 1937-41	1941	1942	Average 1937-41	1941	1942
	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons
North Atlantic	4,013	4,140	4,281	13,287	11,825	14,110
East North Central ...	33,727	34,225	38,137	22,851	22,812	24,084
West North Central ...	47,989	55,754	64,756	27,141	30,358	35,196
South Atlantic	6,228	6,257	6,091	5,731	6,094	6,688
South Central	14,288	15,819	15,792	11,611	13,459	14,308
Western	3,197	4,129	5,286	20,823	22,640	22,201
United States	109,442	120,324	134,343	101,444	107,188	116,587

1/ The corn supply October 1, farm and commercial stocks of oats October 1, and production of barley and grain sorghums harvested for grain.
2/ Production plus May 1 carry-over.

Table 9.- Corn, oats, barley, and hay: Supply and disappearance, United States, 1941-42

Year beginning	Carry-over: Farm	Carry-over: Commercial	Carry-over: Total	Production	Total supply	Total disappearance
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
			Corn			
Oct. 1						
1941	474,622	39,137	1/645,759	2,677,517	3,323,276	2,831,038
1942	423.597	38,641	1/492,238	3,175,154	3,667,392	
			Oats			
July 1						
1941	220,048	3,906	223,954	1,176,107	1,400,061	1,206,264
1942	191,688	2,109	193,797	1,369,540	1,563,337	
			Barley			
June 1						
1941	65,615	4,726	70,341	358,709	429,050	348,249
1942	76,260	4,541	80,801	426,188	506,989	
			Hay			
			1,000 tons	1,000 tons	1,000 tons	1,000 tons
May 1						
1941			12,950	94,238	107,188	95,929
1942			11,259	105,328	116,587	

1/ Includes corn owned by the Government.

Table 10.- Livestock-feed price ratios, index numbers, adjusted for seasonal variation, 1939-42 1/

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
	Hog-corn price ratio (1920-39 = 100) 2/											
1941	103	99	89	99	108	116	130	128	125	121	120	122
1942	118	123	126	141	142	146	148	152	146	156	144	3/136
	Beef-corn price ratio (1920-39 = 100) 4/											
1941	138	135	120	115	110	109	117	116	111	108	106	116
1942	113	125	112	120	119	117	121	130	125	128	125	3/118
	Butterfat-feed price ratio (1920-39 = 100) 5/											
1941	99	101	102	109	125	131	129	115	107	99	96	88
1942	88	87	86	91	102	103	102	106	106	107	106	3/103
	Egg-feed price ratio (1931-40 = 100) 6/											
1941	83	90	98	117	116	130	130	119	108	93	90	85
1942	96	102	107	112	117	121	123	119	108	95	86	3/ 88

1/ Ratio for each month divided by the average ratio for that month.

2/ Number of bushels of No. 3 Yellow corn required to buy 100 pounds of live hogs, Chicago.

3/ Preliminary estimate.

4/ Number of bushels of No. 3 Yellow corn required to buy 100 pounds of beef steers, sold out of first hands for slaughter, all grades, Chicago.

5/ Average price per pound for butterfat received by producers, divided by average value of dairy feed per pound, United States. (See Agricultural Prices, November 30 1942)

6/ Average price per dozen for eggs received by producers, divided by average value of poultry ration. (Corn 62 pounds, wheat 14 pounds, oats 8 pounds, barley 2 pounds, bran 9 pounds, and tankage 5 pounds)

Table 11.- Production and stocks of specified byproduct feeds, November 1940 and 1941, and September-November 1942

Item	Nov.		1942		
	1940	1941	Sept.	Oct.	Nov.
	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons
Production					
Cottonseed cake and meal	288.0	255.8	224.9	330.0	317.3
Soybean cake and meal	---	---	145.6	164.2	---
Linseed cake and meal	---	---	67.7	79.6	---
Peanut cake and meal	15.1	8.7	1.2	6.1	9.1
Gluten feed and meal	47.1	74.4	80.6	1/ 79.7	1/ 79.2
Brewers' dried grains	6.3	8.8	15.7	14.3	11.8
Distillers' dried grains	16.9	19.4	32.1	31.8	30.5
Wheat millfeeds	364.7	344.7	405.7	433.2	2/403.0
Stocks, end of month					
Cottonseed cake and meal	153.7	356.9	146.5	134.1	117.8
Peanut cake and meal	8.5	11.9	2.2	1.8	2.8

1/ Domestic grind. 2/ Preliminary.

Table 12.- Prices of specified feeds per 100 pounds, December, average 1931-40, 1940, and 1941, October-December 1942, and December 1942 as a percentage of average

Item	Dec.			1942			December 1942 as a percentage of 1931-40 average
	Average 1931-40	1940	1941	Oct.	Nov.	Dec. 1/	
	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Pct.
Grains							
Corn, No. 3 Yellow, Chicago	1.06	1.10	1.36	1.38	1.44	1.58	149
Oats, No. 3 White, Chicago	1.10	1.19	1.66	1.46	1.56	1.65	150
Barley, No. 3, Minneapolis	1.34	1.06	1.41	1.26	1.35	1.54	115
Wheat, No. 2 Hard Winter, Kansas City	1.45	1.38	2.00	2.01	2.05	2.19	151
Rye, No. 2, Minneapolis	1.08	.89	1.21	1.06	1.06	1.23	114
Byproduct Feeds							
Bran, Standard, Chicago	1.03	1.16	1.62	1.60	1.70	1.90	184
Middlings, Standard, Chicago	1.05	1.16	1.63	1.63	1.75	1.90	181
Gluten feed, 23 percent, Chicago	1.16	1.39	1.42	1.57	1.61	1.62	140
Hominy feed, White, Chicago	1.20	1.31	1.53	1.64	1.66	1.80	150
Cottonseed meal, 41 percent, Chicago	1.50	1.76	2.22	2.10	2.27	2.35	157
Soybean meal, 41 percent, Chicago	1.52	1.48	2.12	2.14	2.33	---	---
Linseed meal, Minneapolis 2/	1.73	1.44	1.92	1.82	1.93	2.15	124
Tankage, digester, 60 percent, Chicago	2.21	2.28	3.59	3/3.55	3/3.55	3/3.55	161
Brewers' dried grains, Milwaukee	1.11	1.26	1.69	1.50	1.62	1.85	167
Distillers' dried grains, Cincinnati	---	1.53	1.72	1.91	1.96	2.12	---

1/ Grains, average for week ended December 19; byproduct feeds as of December 15.
2/ 34 percent protein, 1931-32, 1936, and 1941-42; 37 percent protein, other years.
3/ Bulk.